

Exit Counseling Policy

The Treasure Valley Community College will ensure that each student borrower receives the counseling materials, participates in, and completes the exit counseling as required under [34 C.F.R. § 685.304\(b\)\(5\)](#). Each Direct Subsidized or Unsubsidized loan borrower who is in the final term of the program of study will receive an electronic notification to complete exit counseling. For administrative withdrawals, the college ensures that exit counseling is conducted within 30 days of the date the College determined the student has withdrawn. In addition, if the student did not complete the online exit counseling, the college will mail the PDF version of the [Exit Counseling Guide for Federal Student Loan Borrowers](#) to the student borrower at his last known personal/home address within 30 days after the College learns that the student borrower failed to complete the exit counseling as required, and will document that it has done so.

[34 C.F.R. § 685.304\(b\)](#) states that a school must ensure that exit counseling is conducted with each Federal Direct Subsidized Loan or Federal Direct Unsubsidized Loan student borrower shortly before the student borrower ceases at least half-time study at the school. If the student borrower drops out without notifying the school, the school must confirm that the student has completed online counseling, or mail counseling material to the borrower's last known address. The materials must be mailed within 30 days of learning that the borrower has withdrawn or failed to participate in an exit counseling session. Counseling may be provided in person, by audiovisual presentation, or be interactive electronic means. Further, the school must maintain documentation substantiating the school's compliance with this section for each student borrower.

[34 C.F.R. § 685.304\(b\)\(4\)](#) states that the exit counseling must:

- i. Inform the student borrower of the average anticipated monthly repayment amount based on the student borrower's indebtedness or on the average indebtedness of student borrowers, depending on the types of loans the student borrower has obtained, for attendance at the same school or in the same program of study at the same school;
- ii. Advise the student borrower of available repayment plan options, including a description of the different features of each plan, and showing the average anticipated monthly payments, and the difference in interest paid, and total payments under each plan;
- iii. Explain to the borrower the options to prepay each loan, to pay each loan on a shorter schedule, and to change repayment plans;
- iv. Provide information on the effects of loan consolidation, including the effects of consolidation on total interest to be paid, fees to be paid, and length of repayment, the effects of consolidation on a borrower's underlying loan benefits, including grace periods, loan forgiveness, cancellation, and deferment opportunities, the options of the borrower to prepay the loan and to change repayment plans; and that borrower benefit programs may vary among different lenders;
- v. Include debt-management strategies that are designed to facilitate repayment;
- vi. Explain how to contact the party servicing the student borrower's Direct Loans;
- vii. Explain the use of a Master Promissory Note;

- viii. Emphasize the seriousness and importance of the repayment obligation the student borrower has assumed;
- ix. Emphasize that the student borrower must repay the full amount of the loan even if he or she did not complete the program, did not complete the program within the regular time for program completion, is unable to obtain employment upon completion, or is otherwise dissatisfied with or does not receive the educational or other services that the student borrower purchased from the school;
- x. Describe the likely consequences of default, including adverse credit reports, delinquent debt collection procedures under federal law, and litigation;
- xi. Provide a general description of the terms and conditions under which a borrower may obtain full or partial forgiveness or discharge of principal and interest defer repayment of principal or interest, or be granted forbearance on a Title IV loan;
- xii. Provide a copy, either in print or by electronic means, of the information the U.S. Secretary of Education makes available pursuant to section 485(d) of the HEA;
- xiii. Provide information on the availability of the Department's Student Loan Ombudsman office;
- xiv. Inform the student borrower of the availability of Title IV loan information in NSLDS, and how NSLDS can be used to obtain Title IV loan status information;
- xv. Explain to first time borrowers how the borrower's maximum eligibility period, remaining eligibility period, and subsidized usage period are determined;
- xvi. Explain the sum of the borrower's subsidized usage periods, at the time of the exit counseling;
- xvii. Explain the consequences of continued borrowing or enrollment, including the possible loss of eligibility for additional Direct Subsidized Loans;
- xviii. Explain the possibility that the borrower could become responsible for accruing interest on previously received Direct Subsidized Loans, and the portion of a Direct Consolidation Loan during in-school status, the grace period, authorized periods of deferment, and certain periods under the Income-Based Repayment and Pay As You Earn Repayment plans;
- xix. Explain the impact of the borrower becoming responsible for accruing interest on total student debt;
- xx. Explain that the U.S. Secretary of Education will inform the student borrower of whether he or she is responsible for accruing interest on his or her Direct Subsidized Loans;
- xxi. Explain that the borrower can access NSLDS to determine whether he or she is responsible for accruing interest on any Direct Subsidized Loans;
- xxii. Provide a general description of the types of tax benefits that may be available to borrowers; and
- xxiii. Require the student borrower to provide current information concerning name, address, social security number, references, and driver's license number of state of issuance, as well as the student borrower's expected permanent address, the address of the student borrower's next of kin, and name and address of the student borrower's expected employer (if known). The school must ensure that the information required is provided to the U.S. Secretary of Education within 60 days after the student borrower provides the information.

END OF POLICY

Legal Reference(s):

[ORS 341.290\(2\)](#)